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OCT 9 2001

October 9, 2001

David Waddell, Esq.
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505


Re: Petition of MCI WorldCom to Enforce Interconnection Agreement with
BellSouth Telecommunications, Inc.
Docket No. 01-00513

Dear David:

Enclosed for filing is the Rebuttal Testimony of Dan Aronson filed on behalf of
MCI WorldCom, Inc. and Brooks Fiber Communications of Tennessee, Inc. in the above-
captioned proceeding.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: 
Henry Walker

HW/nl
Attachment
cc: Parties

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE: PETITION OF MCI WORLDCOM)
TO ENFORCE INTERCONNECTION) DOCKET NO. 01-00513
AGREEMENT)

REBUTTAL TESTIMONY

OF

DAN ARONSON

ON BEHALF OF

MCI WORLDCOM, INC.

AND

BROOKS FIBER COMMUNICATIONS OF TENNESSEE, INC.

October 9, 2001

1 **Q. What is your name, position of employment and business address?**

2 A. My name is Dan Aronson. I am the Director of Carrier Billing Services for MCI
3 WorldCom. My business address is 500 Clinton Center Drive, Clinton, Mississippi,
4 39056.

5 **Q. Please provide a summary of your background and experience.**

6 A. I received a BA in Psychology from the University of Kansas in 1973. From 1974
7 through 1983 I was employed as a research assistant in the Department of Biochemistry
8 at the University of Kansas School of Medicine and the Departments of Nephrology and
9 Internal Medicine at the Veterans Administration Research Center in Kansas City
10 Missouri. I was awarded a Masters Degree in Business Administration by the Henry W.
11 Block School of Management and Administration at the University of Missouri at Kansas
12 City. I became a licensed CPA in 1985. I served in a series of Public Accounting firms
13 from 1984 through 1997. The range of activities in which I was involved included
14 individual and corporate income tax analysis, financial statement auditing, EDP auditing,
15 contract attestation services and design and implementation of automated auditing
16 processes. I was employed by Frederick and Warinner, CPAs, from 1990 to 1997. The
17 services of this firm were specifically focused on firms involved in the
18 telecommunications industry. I joined the Corporate Financial Operations Group at
19 WorldCom in 1997 as Director of Carrier Access Billing Services.

1 **Q. Do your duties as Director of Carrier Billing Services for MCI WorldCom include**
2 **responsibilities for billing and collection of reciprocal compensation and access**
3 **charges for Brooks Fiber Communications of Tennessee?**

4 A. Yes. My duties include responsibility for rendering invoices to BellSouth ("BST") for
5 reciprocal compensation and terminating switched access charges for the termination of
6 local and toll calls from BST customers to customers of Brooks Fiber of Tennessee
7 ("Brooks") pursuant to the interconnection agreement between Brooks Fiber and BST.

8 **Q. What is the purpose of your rebuttal testimony?**

9 A. The purpose of my rebuttal testimony is to address the issues raised by Mr. McIntire and
10 Mr. Finlen in their direct testimony filed in this case on October 4, 2001. Specifically, I
11 will address the issue of the appropriate reciprocal compensation rate to be applied, the
12 appropriate usage to be applied and whether Brooks is required to apply the BellSouth
13 Percentage Local Use (PLU) factor when rendering connectivity bills and in determining
14 the amount that is due and owing Brooks in Tennessee. I would note that these are the
15 same issues that are to be decided in the MCImetro Motion for Sanctions case in Docket
16 No. 99-00662 (hereinafter, "the MCImetro case") and therefore, I will be incorporating
17 much of my testimony that was filed in that case.

18 **Q. What is the appropriate reciprocal compensation rate to be applied to determine the**
19 **amount that is due and owing to Brooks in Tennessee ?**

20 A. The appropriate rate to be applied to determine the amount that is due and owing to
21 Brooks in Tennessee is the direct end office termination reciprocal compensation rate of
22 \$.004 per minute of use that is contained in the Brooks Agreement. As I explained in my

1 Direct Testimony filed in this case, I have applied that rate in lieu of the \$.005 per minute
2 of use tandem interconnection reciprocal compensation rate that Brooks had previously
3 billed BellSouth as a result of the Hearing Officer's June 15, 2001 decision in the
4 MCImetro case.

5 **Q. What does BellSouth say is the appropriate reciprocal compensation rate to be**
6 **applied to determine the amount that is due and owing to Brooks in Tennessee?**

7 A. It is unclear. Mr. McIntire's Direct Testimony states that his spreadsheet, which is
8 attached as Exhibit RM-2, contains the end office rates for local. That spreadsheet
9 indicates that the local end office reciprocal compensation rate is \$.0019. That rate is
10 neither the Direct End Office interconnection rate of \$.004 nor the Tandem
11 interconnection rate of \$.005 found in the pricing schedule in Table 1 of Attachment I of
12 the Brooks Agreement. I would note that this is the rate that BellSouth has consistently
13 put forward as the direct end office reciprocal compensation rate in their dispute letters to
14 both MCImetro and Brooks. I have consistently indicated to BellSouth that this rate is
15 not found in the interconnection agreement and that BellSouth was in violation of the
16 contract for withholding invoiced reciprocal compensation payments on this basis. I
17 would also note that Mr. Finlen acknowledges in his Direct Testimony at page 3, lines 1-
18 2, that the direct end office local termination rate is \$.004 per minute of use in the
19 existing Brooks Agreement.

20 Mr. Finlen's Direct Testimony, at page 3, takes the same position that BellSouth takes in
21 the MCImetro case - that (1) "The TRA ordered a rate of \$.0008041 per minute of use on
22 December 19, 2000" and (2) "Accordingly, the rate under [the Brooks Agreement]
23 changed automatically when the rate in the "Order of the TRA" changed".

1 As I have stated in my testimony in the MCImetro case, which I incorporate in this
2 testimony by reference, Part A, Section 3 of the Brooks Agreement provides that the new
3 rates, terms and conditions that are a part of the next interconnection agreement will be
4 applied retroactively to the expiration date of the existing interconnection agreement,
5 which is April 4, 2000. At the time the new agreement is executed, both BellSouth and
6 Brooks will have to issue credits to one another to reflect the lower UNE and reciprocal
7 compensation rates. Until a new interconnection agreement is executed however, the
8 parties have agreed to operate under the rates, terms and conditions of the present Brooks
9 Agreement. The direct end office termination rate in the present Brooks Agreement is
10 \$.004 per minute of use.

11 I would also note that the BellSouth Tariff filed pursuant to the "Order of the TRA" in
12 Docket 97-01262 explicitly states that the provisions of the Tariff do not supercede or in
13 any way modify the provisions of an existing interconnection agreement.

14 **Q. What is the appropriate usage amounts to be applied to determine the amount that**
15 **is due and owing to Brooks in Tennessee ?**

16 **A.** The appropriate usage amounts to be applied to determine the amount that is due and
17 owing to Brooks in Tennessee are the usage amounts provided in Exhibit 1 attached to
18 my Direct Testimony. The terminating usage, displayed on Exhibit 1 to my Direct
19 Testimony, is an accurate account of the minutes of use terminated by BellSouth during
20 the period represented in that Exhibit and should be used to determine the amount that is
21 due and owing to Brooks in Tennessee.

1 Mr. McIntire's Exhibit RM-2 displays a column denominated as "BellSouth Collected
2 MOUs" which is different from the total usage presented in my Exhibit 1. Mr. McIntire's
3 testimony states "BellSouth's calculation demonstrates the total number of local minutes
4 of use upon which reciprocal compensation should be calculated." While I am not
5 certain about where Mr. McIntire obtained his "BellSouth Collected MOU's" data, I
6 assume that this is from a similar source as the "BellSouth MOUs" presented in Mr.
7 McIntire's Exhibit RM-1 to his Rebuttal Testimony in the MCImetro case.

8 As I have stated in my testimony in the MCImetro case, which I incorporate in this
9 testimony by reference, Attachment IV, Section 7.1 of the interconnection agreement
10 provides that the terminating party is to utilize AMA recordings made within the
11 terminating switch to record the terminating minutes of use for purposes of generating
12 connectivity bills. Brooks billing system utilizes these AMA recordings for purposes of
13 calculating terminating minutes of use to generate connectivity bills to BellSouth. The
14 interconnection agreement does not require the terminating party (Brooks) to utilize
15 usage measurements made by the originating party (BellSouth) to render connectivity
16 bills.

17 As discussed in my testimony in the MCImetro case, BellSouth began unilaterally
18 withholding payment on MCImetro connectivity billings in January 2000 and indicated in
19 their dispute letter simply that " We are paying usage based on BellSouth's recordings".
20 These same dispute letters appeared in response to Brooks connectivity billings at the
21 same time.

1 As I have stated in my testimony in the MCImetro case, which I incorporate in this
2 testimony by reference, I began my efforts to get BellSouth to support its usage disputes
3 shortly after these references to BellSouth's recordings appeared in the dispute letters.
4 BellSouth has never provided support for these usage disputes. The Brooks Agreement
5 provides for certain procedures to be followed for resolution of a billing dispute at
6 Attachment VIII, Section 3.1.18, which provides that each party is to notify the other
7 party when a billing dispute arises and to endeavor to resolve the dispute within sixty
8 calendar days using normal business procedures. As I indicated in my testimony in the
9 MCImetro case, BellSouth's action in refusing to provide support for their claimed usage
10 disputes does not constitute "normal business practices".

11 I would also note that Mr. McIntire's Exhibit RM-2 indicates that BellSouth claims to
12 have recorded different usage than that billed by Brooks for the entire period from the
13 August 1998 invoice through the August 2001 invoice. From a review of the BellSouth
14 dispute letters for this period, BellSouth did not indicate any usage dispute for the period
15 from August 1998 through December 1999.

16 **Q. Should the TRA utilize the BellSouth developed PLUs to be applied to the usage**
17 **amounts to determine the amount that is due and owing to Brooks in Tennessee?**

18 A. No. Mr. McIntire's Exhibit RM-2 displays a column denominated as "PLU" which is the
19 Percent Local Use (PLU) developed by BellSouth. This PLU is different from the
20 percent local usage factor that could be derived by dividing the local minutes by the total
21 minutes displayed on Exhibit 1 to my Direct Testimony. Mr. McIntire's testimony
22 utilizes the BellSouth PLU in his calculation of the total number of local minutes of use

1 upon which reciprocal compensation should be calculated. The terminating local usage,
2 displayed on Exhibit 1 to my Direct Testimony, is an accurate account of the local
3 minutes of use terminated by BellSouth during the period represented in that Exhibit and
4 should be used to determine the amount that is due and owing to Brooks in Tennessee.

5 As I have stated in my testimony in the MCImetro case, which I incorporate in this
6 testimony by reference, Attachment IV, Section 7.1 of the MCImetro Agreement
7 provides that,

8 "Each party shall calculate terminating interconnection minutes
9 based on standard Automatic Message Accounting (AMA)
10 recordings made within each party's network. These recordings
11 being necessary for each party to generate bills to the other party"

12 AMA data provides the NPA-NXXs of the origination point and termination point of the
13 call. Brooks's billing system is able to capture from the terminating call detail the
14 originating and terminating telephone number information embedded in the AMA records
15 on an individual call basis and perform a direct jurisdictionalization of the traffic as local
16 or toll traffic. This is done by comparing the originating and terminating NPA-NXX to a
17 reference table constructed from the BellSouth General Subscriber Services tariff for the
18 Knoxville market. This table defines calls as local or toll based on the to/from rate
19 centers and the NPA-NXXs associated with those rate centers.

20 Attachment IV, Paragraph 2.2.1 of the Brooks Agreement defines "Local Traffic" as "any
21 telephone call that originates and terminates in the same exchange, or in a corresponding
22 Extended Area Service (EAS) exchange" as defined and specified in the Section A3 of
23 BellSouth's General Subscriber Services Tariff. The Brooks switch is located in the
24 Knoxville local calling area. Section A3.6.1 of the BellSouth General Subscriber Services

1 Tariff specifies the Knoxville local exchange and the additional exchanges (or
2 corresponding EAS exchanges) for the Knoxville local calling zone. The exchanges and
3 additional exchanges listed for the Knoxville local calling area are consistent with the
4 Brooks local calling area as listed in the Brooks local tariff.

5 If the origination and termination points of a call are within the exchanges listed in
6 Section A3.6.1 of the BellSouth General Subscriber Services Tariff for the Knoxville
7 local calling area, Brooks rates the call as local and the reciprocal compensation rate in
8 the Brooks Agreement is applied. If the origination point of the call is from an exchange
9 not listed in Section A3.6.1 of the BellSouth General Subscriber Services Tariff for the
10 Knoxville local calling area, then the call is jurisdictionalized as toll and the Brook's
11 intrastate switched access rates are applied.

12 BellSouth claims that Brook's use of AMA data does not take into account the fact that
13 many end users subscribe to local calling plans that change traditional local calling areas.
14 BellSouth claims that, without knowing the calling plans of each specific end user, it is
15 not possible to produce actual charge information. For example, two next door neighbors
16 could call the same number, but depending on their calling plans, one neighbor could
17 place a local call while one would place an intraLATA toll call. Without this calling plan
18 information, which can only be obtained by BellSouth through proprietary Customer
19 Service Records (CSR) data, BellSouth claims that Brooks cannot accurately determine
20 the jurisdiction of a call that Brooks terminates for BellSouth or determine the "actual
21 charge information". BellSouth utilizes a process based on these CSR records to
22 determine whether a BellSouth customer has subscribed to an optional calling plan in

1 calculating a Percentage Local Use (PLU) factor. As a result, according to BellSouth, the
2 BellSouth developed PLU factor must be used by Brooks in its connectivity billings.

3 Attachment VIII, Paragraph 3.1.7 of the Brooks Agreement provides for an exception to
4 the use of AMA recordings at the terminating party's switch for billing purposes where
5 "actual charge information" is not determinable by the billing party because the
6 jurisdiction of the traffic is unidentifiable. In that instance, the parties are jointly to
7 develop a process to determine the appropriate charges. The determination of whether a
8 call is to be rated as local call, for connectivity billing purposes, is governed by the
9 language in the Brooks Agreement. The determination of whether a call is to be rated as
10 a local call, for connectivity billing purposes, is based on whether the call originates and
11 terminates in same exchange, or in a corresponding Extended Area Service (EAS)
12 exchange" as defined and specified in the Section A3 of BellSouth's General Subscriber
13 Services Tariff. The determination of whether a call is rated as a local call, for
14 connectivity billing purposes, is not dependent upon whether a BellSouth end user
15 perceives that he or she is making a "local call" under a BellSouth optional calling plan
16 or how BellSouth bills the end user for that call.

17 The Brooks billing system, which utilizes AMA recordings as directed in Attachment IV,
18 Section 7.1 to generate connectivity bills, contains "actual charge" information. Brook's
19 billing system accurately rates calls and applies reciprocal compensation rates to local
20 calls and access rates to toll calls based on the definition in the Brooks Agreement.
21 Brooks is not required to utilize the PLU developed by BellSouth based on proprietary
22 CSR records, which reveal whether the customer has subscribed to a BellSouth optional
23 calling plan or not.

Brooks accurately rates county-wide calls in Knox County, Tennessee, where the Brooks
2 switch is located, as local calls.

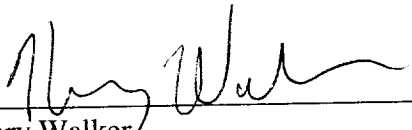
3 **Q. Does this conclude your rebuttal testimony?**

4 **A. Yes.**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via fax or hand delivery and U.S. mail to the following on this the 9th day of October, 2001.

Guy Hicks, Esq.
BellSouth Telecommunications, Inc.
333 Commerce St., Suite 2101
Nashville, TN 37201-3300



Henry Walker